



TENNESSEE REAL ESTATE News-Journal

An Official Publication of the Tennessee Real Estate Commission

VOLUME: 12

SPRING 2003

NUMBER: 3

New Law Requires Course for New Affiliates Be Completed In First 6 Months of Licensure

By: J. Wayne Pugh, Staff Attorney

A new law passed by the Tennessee 103rd General Assembly requires that any affiliate broker licensed after 6-30-03 complete the Course for New Affiliates within the first six (6) months of licensure. The new law also provides for automatic expiration of the license if the course is not completed within the six (6) month period. As a result of the new law, the administrative office of the Tennessee Real Estate Commission will issue an original license which will expire at the end of the six month period. If the Course for New Affiliates is completed within the six (6) months period, a second license will be generated with an expiration date of December 31, 2004 which is the expiration date for the current licensing period. If proof of completion is not provided to the administrative office by an approved school within the six (6) month period, the license will expire and a letter demanding that the affiliate broker cease and desist from engaging in the real estate business will be generated and mailed to the licensee and the principal broker of record.

CORE Course Providers for 03/04

(Approved when this edition of the News-Journal went to printing)

Career Institute	615-765-7470
Chattanooga Assn. REALTORS	423-698-8001
D&D School of Real Estate	800-282-9375
Excel Real Estate School	423-626-5821
Greater Nashville Assn. REALTORS	615-254-7516
Memphis Area Assn. REALTORS	901-818-2421
Nashville School of Real Estate	615-329-1366
Professional School of Real Estate	800-609-1222
Reelfoot Regional Assn. REALTORS	731-885-8797
Regional Education Forum	615-771-6845
River Counties Assn. REALTORS	423-476-5912
Robertson County Assn. REALTORS	615-643-8635
Tennessee Assn. REALTORS	800-252-6012
TREES	800-572-8733

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TREC's Enhancements Benefit Licensees

During the past ten to twelve months, TREC has implemented procedures which have enhanced services for licensees. While these changes are not tangible ones, they were apparent during the most recent license renewal process.

The downloading of education information can decrease the time education completion information is collected by a school and placed in a licensee's electronic file from days or weeks to hours. A second downloadable procedure established for Errors and Omissions Insurance Providers assisted the renewal process by removing the laborious task of staff keying in E&O coverage information for some 20,000 licensees. By December 31, 2002, the expiration date of licenses, almost 90% of the licensees who had paid the renewal fee timely had been issued a renewal license with the expiration date of December 31, 2004.

**Please see copy of
new TREC 1 form on
pages 4 and 5.**

DISCIPLINARY ACTION

MARCH 2003

BOYER PROPERTIES & DEVELOPMENT

Lic. No. FM255292

Johnson City, TN

Principal Broker Judy A. Boyer agreed to pay a \$500.00 civil penalty for failure to document agency status in two transactions reviewed during an inspection performed by a TREC Auditor.

ERIN E. DAVIS

Lic. No. AF284285

Morristown, TN 37816

Ms. Davis agreed to pay a \$250.00 civil penalty for failure to include the firm phone number in a newspaper advertisement.

APRIL 2003

ALEXANDRIA REALTY & AUCTION

Lic. No. FM252445

Alexandria, TN

Principal Broker David Cook agreed to pay a civil penalty after an inspection performed by a TREC Auditor revealed failure to promptly deposit earnest money for two transactions.

BOB PARKS REALTY

Lic. No. FM257248

Murfreesboro, TN

Principal Broker John R. Higgins agreed to pay a civil penalty after an inspection performed by a TREC Auditor revealed failure to promptly deposit earnest money for two transactions.

CENTURY 21 RESORT MART REAL ESTATE

Unlicensed

Mountain Home, AR

Respondent (not licensed in Tennessee) of a complaint consented to pay a \$1,000.00 civil penalty for executing a listing agreement with the complainant to procure a buyer for Complainant's property and receive a commission upon closing.

MAY 2003

CLAIR VANDERSCHAFF

Lic. No. AF23526

(Expired)

Eads, TN

Mr. Vanderschaff consented to pay a civil penalty of \$1,000.00 for receiving a commission on the sale of a property more than two (2) years after her real estate license had expired.

RICKEY ELKINS

REALTY & AUCTION

Lic. No. FM256079

McMinnville, TN 37110

Principal Broker Rickey L. Elkins agreed to pay a civil penalty of \$250.00 for failing to document agency disclosure in three of the five transactions reviewed during a routine inspection by a TREC Auditor.

LEGACY PROPERTIES, LLC

Lic. No. FM257006

Nashville, TN 37215

Principal Broker Sharon R. Cummings agreed to pay a civil penalty of \$250.00 for failure to timely deposit earnest money for a real estate transaction as noted in a TREC audit.

COLDWELL BANKER, MARKETPLACE REALTORS

Lic. No. FM 231136

Kingsport, TN

Principal Broker Joyce B. Meade agreed to pay a civil penalty of \$250.00 for failing to notify seller of a change in agency status during a transaction as noted in a TREC audit.

GREEN COUNTY LAND & AUCTION

Lic. No. FM 59026

Greeneville, TN

Principal Broker Larry Jones agreed to pay a civil penalty of \$500.00 for failing to timely deposit earnest money in four of the four transactions reviewed during a TREC audit.

REALTY EXECUTIVES ASSOCIATES, INC

Lic. No. 213347

Knoxville, TN

Principal Broker R. Vance Burkey agreed to pay a civil penalty of \$250.00 for failing to properly document agency disclosure and personal interest to a buyer in a transaction as determined by a TREC audit.

Disciplinary Action Continued on
Page 3, Column 1

**AMERICAN WAY
REAL ESTATE CO.
Lic. No. FM7109
Cookeville, TN**

Principal Broker Jeffrey Jones agreed to pay a civil penalty of \$500.00 for failing to document agency status in four of the five transactions reviewed during a TREC audit.

**ALLEN PARKS
AUCTIONS, INC
Lic. No. FM257263
Gallatin, TN**

Principal Broker William A. Parks, Jr. agreed to pay a civil penalty of \$500.00 for failing to document agency disclosure in five of the five transactions reviewed during a TREC audit.

**LARRY RAINES
REALTY
Lic. No. FM214337
Selmer, TN**

Principal Broker Larry W. Raines agreed to pay a civil penalty of \$250.00 for failure to include the firm phone number in a newspaper advertisement.

**MARGIE JOHNSON
Unlicensed
Kodak, TN**

Ms. Johnson agreed to pay a civil penalty of \$250.00 for practicing as an Acquisition Agent without a license.

**AMY JOE REAGON
Unlicensed
Dandridge, TN**

Ms. Reagon agreed to pay a civil penalty of \$250.00 for practicing as an Acquisition Agent without a license.

**BRIAN PACK
Lic. No. AA32 (Expired)
Newport, TN**

Mr. Pack agreed to pay a civil penalty of \$250.00 for practicing as an Acquisition Agent after his license expired on December 31, 2002.

**Information, But Not
Advice, From the
TREC Staff**

Tennessee Real Estate Commission staff are always ready and willing to provide assistance to licensees and to the public.

However, that assistance must come only in providing information. The staff cannot provide interpretations of the License Law or the Rules and Regulations or advise callers on how to proceed in a particular situation.

Often the staff receives requests for advice on or interpretations of contracts. Staff members are unable to help with those requests. No staff person is licensed to practice law. Secondly, not even an attorney could give competent advice or interpretation over the phone without having seen the contract itself. Third, the Commission is not authorized to give legal advice to anyone.

However, the Commission staff can and does provide substantial assistance to licensees and the public by:

Referring callers to relevant provisions of the License Law and Rules and Regulations;

Describing the process for inactivating/retiring or reactivating a real estate license;

Providing a licensee with continuing and post licensure education information;

Revealing whether a particular individual or firm is licensed and whether there has been any formal disciplinary action;

Mailing any of the Commission's information or application forms and answering any questions about them;

Providing information concerning approved education providers;

Explaining how to file a complaint with the Commission and providing information concerning obtaining a complaint form; and

Providing names and phone numbers of other agencies or organizations which might be of assistance to the caller.

Just as staff members cannot interpret the License Law and Rules and Regulation or give advice, they cannot:

Waive or modify any requirements of the License Law or Rules and Regulations;

Assist in resolving disputes about transaction commissions or earnest money; or,

Recommend a firm, broker or school.

All licensees required to complete 16 hours of continuing education must also complete the TREC CORE 03/04 Course to renew their licenses for 05/06



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
TENNESSEE REAL ESTATE COMMISSION
500 JAMES ROBERTSON PARKWAY, SUITE 180
NASHVILLE, TENNESSEE 37243-1151
www.state.tn.us/commerce/trec
(615) 741-2273 or (800) 342-4031

T.R.E.C. Form 1.

REVISED 06/01/03

Do not write or mark in the space below.

TRANSFER, RELEASE AND CHANGE OF STATUS FORM

Check appropriate box(es) and complete all required lines of information.
Remit appropriate fee for each box checked.

Amount remitted \$ _____

- | | |
|--|---|
| <input type="checkbox"/> A. Transfer to new firm (1thru 8) \$25.00 | <input type="checkbox"/> F. Change of firm name (1thru 4) \$10.00
(A form and fee are required from each licensee and the PB must file new Firm application form) |
| <input type="checkbox"/> B. Change of licensee name (1,2,3, & 7) \$10.00 | <input type="checkbox"/> G. Change of firm business address (2, 4a & 5) \$50.00
or Firm Mailing Address (2,4b,&5) \$ 50.00
(Per change regardless of number of affiliates)
Firms may add a P.O. Box for mailing purposes only. A mailing address cannot be another street address or home address. |
| <input type="checkbox"/> C. Change of home address of licensee
(1, 7 & 8) NO CHARGE | <input type="checkbox"/> H. Change or Upgrade of firm's principal broker (1,2,5,6) \$25.00 |
| <input type="checkbox"/> D. Change of status from inactive or retired to active
(1,3,4,6,7&8) \$25.00 | <input type="checkbox"/> I. Principal Broker release of affiliated licensee (1,2, & 5)
NO CHARGE, Licensee will be placed in problem status,
SEE additional information on page 2 of this form. |
| <input type="checkbox"/> E. Change of status from active to inactive or retired
status (1,5,7 &8) \$25.00
(Licensee must continue to pay renewal fee when due,
TCA 62-13-318) | |

Remember: Only return your original license certificate for B, E, H, & I.

I request T.R.E.C. process as indicated above

TYPE OF LICENSE: ☐ Affiliate Broker ☐ Broker ☐ Firm ☐ Timeshare Salesperson ☐ Vacation Lodging

1.	Licensee's Name	Home Phone Number	E-Mail Address	License/File ID Number
2.	Current Firm Name	Firm Phone Number	E-Mail Address	Current Firm File ID Number
3.	New Firm/Licensee Name	New Firm Phone Number	E-Mail Address	New Firm File ID Number
4.(a)	New Firm Street Address			
	City	State	Zip Code	
4.(b)	Firm Mailing Address (P.O. Box only)			
	City	State	Zip Code	

ORIGINAL SIGNATURES ONLY, PROVIDE ALL INFORMATION AND DATES

5.	Current or Releasing Principal Broker's Signature	PB License (File I.D.)Number	Date of Change or Release	
6.	New Principal Broker's Signature	PB License (File I.D.)Number	Date	
7.	Licensee's Signature	Date		
8.	Licensee's Home Mailing Address			
	City	State	Zip Code	

PLEASE READ REVERSE OF THIS FORM FOR IMPORTANT INFORMATION AND INSTRUCTIONS

If this form does not have the information printed on the reverse, you can obtain a copy of both sides by contacting the TREC office or web site at:
www.state.tn.us/commerce/trec. IN0857(Rev. 06/2003)

Instructions and Information

All parties are responsible for their own copies of this form. Principal brokers should retain a copy for the firm's records. Change of address on firms must be accompanied by a zoning letter. This form cannot be used for reinstatement or renewal of license. Please contact the TREC office for proper forms.

Transferring or reactivating licensees who did not purchase TREC errors and omissions (E&O) insurance for the current licensing period, including licensees who have been covered by alternative coverage provided by the releasing firm, MUST provide proof of current valid coverage WITH THIS FORM. Contact the insurance vendor for STATE coverage or for alternative insurance provided by the firm, submit the certification of insurance (TREC form) with this form. Please discuss E&O insurance with the principal broker of the NEW firm prior to submitting. **DO NOT** send premiums to TREC for coverage. Premiums received in error will be processed as a refund.

The license of the transferee is invalid until the completed transfer form and appropriate fee are transmitted to the Commission's office. Failure to do so within 10 days from the date of release from the present broker may subject the licensee to penalty from the Commission.

Complete **each required line by providing ALL requested information on the entire line: INFORMATION REQUESTED MAY DIFFER SLIGHTLY DEPENDING ON THE TYPE OF CHANGE REQUESTED. THE DIFFERENT INFORMATION IS SPECIFIED BELOW.**

A. Transfer to new firm: (1 thru 8) \$25.00

Line 1: Name, home phone number, e-mail address and license/file I.D. number of licensee transferring license

Line 2: Name, office phone number, e-mail address and firm file I.D. number of firm licensee is being released from

Line 3: Name, office phone number e-mail address and firm file I.D. number of firm licensee is transferring to

Line 4: Street address, city, state and zip code of the firm named on line 3

Line 5: Signature, license/file I.D.# of the principal broker of the firm on line 2 and date

Line 6: Signature, license/file I.D.# of the principal broker of the firm on line 3 and date

Line 7: Signature and date of the licensee named on line 1

Line 8: Home mailing address, city, state and zip code of the licensee named on line 1

NOTE: You must provide proof of E&O if you are leaving a firm with alternative insurance. See Instructions and Information above

B. Change of licensee name: (1,2,3, & 7) \$10.00

Line 1: Name of licensee changing name (the name TREC has on record) home phone number, e-mail address and license/file I.D. number of licensee changing name

Line 2: Name, office phone number, e-mail address and firm file I.D. number of firm licensee is affiliated with

Line 3: New name of licensee named on line 1 (Attach verification, marriage license, court order) "nicknames" must be in quotations (" ")

Line 7: Signature and date of licensee named on line 1&3

C. Change of home address: (1, 7 & 8) NO CHARGE

Line 1: Name, home phone number, e-mail address and license file I.D. number of licensee changing home address

Line 7: Signature and date of licensee named on line 1

Line 8: New home mailing address, city, state and zip code of the licensee named on line 1

D. Change of status from inactive or retired to active status: (1,3,4,6,7&8) \$25.00

Line 1: Name, home phone number, e-mail address and license/file I.D. number of licensee requesting to be changed to active status

Line 3: Name, office phone number, e-mail address and firm file I.D. number of firm licensee is requesting to be affiliated with

Line 4: Street address, city, state and zip code of the firm named on line 3

Line 6: Signature, license/file I.D.# of principal broker of firm named on line 3 and date

Line 7: Signature and date of licensee named on line 1

Line 8: Home mailing address, city, state and zip code of the licensee named on line 1

NOTE: All active licensees must obtain errors and omissions insurance. (See instructions above)

E. Change of status from active to inactive or retired status: (1,5,7 &8) \$25.00

Line 1: Name, home phone number, e-mail address and license/file I.D. number of licensee requesting to be changed to inactive or retired status

Line 2: Name, office phone number, e-mail address and firm file I.D. number of firm licensee is currently affiliated with

Line 5: Signature, license/file I.D.# of principal broker of the firm named on line 2 and date

Line 7: Signature and date of licensee named on line 1

Line 8: Home mailing address, city, state and zip code of the licensee named on line 1

F. Change of firm name for licensee: (1thru 4) \$10.00

Line 1: Name of Licensee affiliated with a firm requesting a change of firm name, license/file I.D. number of licensee

Line 2: Name, office phone number, e-mail address and firm file I.D. number of firm requesting a change of name

Line 3: New name, office phone number and firm file I.D. number of firm requesting a change of name

Line 4a: Street address, city, state and zip code of the firm named on line 3

G. Change of firm business address: (2, 4a & 5) \$50.00 and/or (2,4b,&5) \$ 50.00

Line 2: Name, office phone number, e-mail address and firm file I.D. number of firm requesting change of business or mailing address

Line 4a: New street address, city, state and zip code of firm named on line 2 (or) Line 4b: to add mailing address

Line 5: Signature, license/file I.D.# of principal broker of the firm named on line 2 and date

NOTE: Firm must provide a zoning letter for the new street address

H. Change or Upgrade of Firm's Principal Broker (1,2,5,6) \$25.00

Line 1: Name, home phone number, e-mail address and license/file I.D. number of new principal broker

Line 2: Name, office phone number, e-mail address and firm file I.D. number of firm requesting change of principal broker

Line 5: Signature, license/file I.D.# of the resigning principal broker and date

Line 6: Signature, license/file I.D.# of the new principal broker and date

I. Principal Broker Release of affiliated licensee: (1,2, & 5) NO CHARGE (Return form & license certificate to TREC)

Line 1: Name, home phone number, e-mail address and license file I.D. number of licensee being released

Line 2: Name, office phone number, e-mail address and firm file I.D. number of firm licensee is being released from

Line 5: Signature, license/file I.D. number of the principal broker of the firm on line 2 and date

NOTE: Licensee will be placed in problem status, Licensee can transfer to another firm or be placed in inactive or retired status. Failure to file the appropriate completed form within ten (10) days of release constitutes a violation. Licensees will be required to pay any change of status fee due.

Tennessee Real Estate Commission

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Nashville, TN
Permit # 1446

Department of Commerce and Insurance
Tennessee Real Estate
News-Journal
is published quarterly by the
Tennessee Real Estate Commission

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TENNESSEE DEPARTMENT OF COMMERCE
AND INSURANCE AUTHORIZATION NO.
335101, Revised 06/02. This public document was
promulgated for 38,000 copies per issue, at a cost of
12.2 cents per copy, paid by the Real Estate
Education and Recovery Fund.

TREC Contact Information:
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www.state.tn.us/commerce/trec

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Conell House
Karen Jarrett
Andrea Pratt
Donna Swanson
Dan Webb

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for 2003-2004:**
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